

STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
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FILED

DEC 16 2003

INDIANA UTILITY
REGULATORY COMMISSION

CAUSE NO. 42393

IN THE MATTER OF THE COMMISSION)
INVESTIGATION AND GENERIC PROCEEDING)
OF RATES AND UNBUNDLED NETWORK)
ELEMENTS AND COLLOCATION FOR INDIANA)
BELL TELEPHONE COMPANY, INCORPORATED)
d/b/a SBC INDIANA PURSUANT TO THE)
TELECOMMUNICATIONS ACT OF 1996 AND)
RELATED INDIANA STATUTES)

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") makes the following Entry in this Cause:

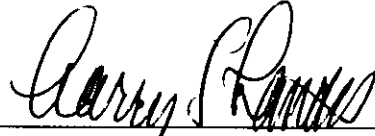
The Commission received responses to its fourth set of scenarios on December 19, 2003. Based on the results from these scenarios, the Commission has determined that additional scenarios need to be run. The additional scenarios are included on pages 3 and 4 of this Entry.

On or before December 22, 2003, the parties should file an Excel spreadsheet with the services and the final UNE rates (recurring and nonrecurring charges) for the scenarios. For reference, see SBC Indiana's Submission of Recalculated UNE Rates filed on November 21, 2003. Please indicate the percentage of shared and common costs used to calculate the final UNE rates.

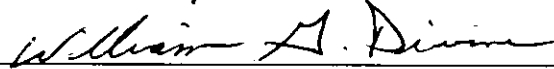
As with other scenario responses the parties have provided, responses will be used to ascertain the effect of a comprehensive change in many inputs, and are not necessarily reflective of any final Commission determination.

If you have any questions regarding these scenarios, please e-mail Joel Fishkin using the Commission e-mail distribution list provided in this Cause, with e-mail copies to all parties as has been done in other electronic communications in this Cause. Commission responses to questions about the scenarios will, likewise, be sent electronically to all parties.

IT IS SO ORDERED.



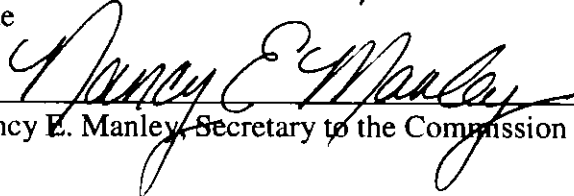
Larry S. Landis, Commissioner



William G. Divine, Administrative Law Judge



Date



Nancy E. Manley, Secretary to the Commission

Scenario 11

Cost of Capital

	Capital Structure		Cost of Equity	Cost of Debt
WACC	Debt	Equity		
9.51%	31.76%	68.24%	6.23%	11.04%

Network Design

- Number of FDIs: Use the percent occurrence of FDI as found on page 103 of Pitkin/Turner Reply Testimony. Modification of cell "G41" in the "Expanded _Summary" in LoopCAT
- Adjust model to reflect the terminal equipment needs (NID) of Multiple Dwelling Units (MDUs): Use the distribution of NID and terminations as reflected in Figure 8 on page 108 of Pitkin/Turner Reply
- Eliminate loops with distribution lengths over 18,000 feet
- Consistent with prior sensitivity runs, loop terminations for the following loop types should be assumed to terminate at business locations: a) 4w Analog, (b) 4w xDSL, (c) ISDN BRI, (d) Coin, (e) EKL, (f) Ground Start
- DLC contract discounts: 3% 9/1/2004 Turner/Pitkin p. 126
- Increase Termination equipment for business: Less use of 6-pair NID and move other to 25-pair terminal size. Pitkin/Turner, page 153

Fill Factor

Average of SBC Actual Fill and SBC 1/99 ACAR Fill

Scenario 12

Cost of Capital

	Capital Structure		Cost of Equity	Cost of Debt
WACC	Debt	Equity		
9.51%	31.76%	68.24%	6.23%	11.04%

Network Design

- Number of FDIs: Use the percent occurrence of FDI as found on page 103 of Pitkin/Turner Reply Testimony. Modification of cell "G41" in the "Expanded _Summary" in LoopCAT

- Adjust model to reflect the terminal equipment needs (NID) of Multiple Dwelling Units (MDUs): Use the distribution of NID and terminations as reflected in Figure 8 on page 108 of Pitkin/Turner Reply
- Eliminate loops with distribution lengths over 18,000 feet
- Consistent with prior sensitivity runs, loop terminations for the following loop types should be assumed to terminate at business locations: a) 4w Analog, (b) 4w xDSL, (c) ISDN BRI, (d) Coin, (e) EKL, (f) Ground Start
- DLC contract discounts: 3% 9/1/2004 Turner/Pitkin p. 126
- Increase Termination equipment for business: Less use of 6-pair NID and move other to 25-pair terminal size. Pitkin/Turner, page 153

Fill Factor

Distribution fills should be 1/99 ACAR fills

Scenario 13

Scenario 1 with these modifications:

cost of capital of 9.51%

Add 5% to all SBC Indiana Actual Fill Factors